Please amend claim 39 as follows: line 12, delete "on the evidence".

REMARKS:

Claims 39-42 are pending.

Applicant has noted the requirement for a Substitute Specification because the one originally filed is "formatted with very small font and the printing is illegible".

Attached hereto is a full-size, high-quality copy of the application as originally filed. It has not been identified as a Substitute Specification because the enclosed copy does not differ from the original specification except for its quality.

Applicant requests that the enclosed copy of the application be substituted for the original. The undersigned, who is admitted to practice before the U.S. Patent and Trademark Office, verifies that the enclosed copy of the original application contains no new material. Applicant further consents to identifying the enclosed copy of the original application as a "substitute copy", should this be a requirement.

Applicant requests permission to provide proper headings for the specification, as required in paragraph 1 of the above-referenced Office Action, once it has been determined whether or not the enclosed copy of the specification is acceptable as a substitute for the originally filed application.

The formal rejection of claims 1-37 under Section 112 has become moot because these claims have been cancelled.

Claims 39-42 were rejected for obviousness over Deaton in view of Bezos.

Deaton was characterized (in the anticipation rejection of some of the now cancelled original claims) as disclosing "a method and system for building a database and performing marketing based upon prior shopping history when the database includes a customer's data. The customer's checking account and the transit number served as a special code in the customer's data."

The Office Action acknowledges that Deaton fails to "disclose or fairly suggest that the customer accesses the account via the Internet for checking the status of the account and the code of the product remain [sic] invisible until the product is purchased". Bezos was viewed as providing what is missing from Deaton because Bezos discloses "a secure method for communicating credit card data when placing an order on a non-secure network wherein the customer can access the remote merchant location using the Internet. Bezos also discloses that the code may be concealed with latex covering which serves as a means for keeping the code invisible."

Hence, the Office Action concludes, it would have been obvious to a person of ordinary skill in the art to employ the Internet connection of Bezos in Deaton's system for a more convenient, more practical interface for accessing the customer account. The Internet connection was furthermore considered to be an art-recognized equivalent interface for accessing information.

Applicant disagrees that the invention is suggested by the references or that any of the remaining claims is obvious thereover.

The present invention is a promotional scheme for identifying purchasers of a product and enhancing future sales. The system is product-based, rather than store-based, so that purchasers of a given product can be identified irrespective of where (e.g. in which shop) the product was purchased, and seeks to elicit desirable information from the purchasers.

To render the system more effective, the merchant (e.g. retailer) who sold the product in question does not become involved in identifying the purchaser and obtaining the desired information from him or her. To make the system work without relying on or burdening the retailer, it independently motivates the customer to participate in it. This is accomplished with an incentive program, such as accumulating points or other rewards, which the customer can use and making the customer's participation as effortless as possible and without cost to him. The latter is achieved by enabling the customer to communicate with a central processing station (located, for example, at the product manufacturer's plant) via the Internet. Internet usage is effectively free and entails none of the unpleasant burdens associated with mail-in coupon schemes, for example, which typically require the mailing of the coupon by placing it in an envelope, applying a postage stamp to it, and then carrying it to a mailbox for dispatch. Although a seemingly small task, it is sufficient to keep many potential participants from responding to promotional schemes.

With the simple Internet interface of the present invention, however, the only task required of the customer is to provide the necessary information and then push a button on the keyboard to release the information via the Internet to the processing station. Thus, many more customers will be motivated to participate in promotional schemes according to the present

invention than were likely to participate in prior art promotional systems relying on mail-in coupons and the like.

If the manufacturer or distributor of the product can motivate a customer to participate, sales are likely to be enhanced and the manufacturer obtains valuable customer information which can be utilized to target subsequent promotions to further enhance future sales. All this is accomplished without in any way burdening the retailer who sold the product in question.

To achieve its objectives, the present invention identifies each product (or service) with a code and informs the customer that he can receive an incentive or reward if he electronically transmits the code from the product via the Internet, together with additional information which identifies him and one or more characteristics of him, to the central processing station where a digitally addressable account is (or will be) assigned to him. Data transmitted by the customer to the receiving station is transmitted to his account, without human intervention at the processing station, and the data, together with a value assigned to a given purchase, is stored in the account. Each time the customer makes another purchase he transmits to the central processing station at least the product code so that a corresponding value can be accrued in the account.

The customer can redeem the accrued values in his account by again electronically addressing the account via the Internet and, without human intervention at the processing station, giving instructions in what form he wishes to redeem the "values". For example, the customer may redeem the values in the form of cash, or by applying the values to another transaction, or another benefit which may be of interest to the customer.

An advantage of the present invention is that by accumulating the earned values, repeat purchases are encouraged. Further, the manufacturer (who operates the central processing station) can obtain valuable information concerning the customer, and his or her purchasing habits and requirements and the like, which can be used to more effectively market the goods and services and thereby increase sales. The transaction is secure against fraud, because the needed product (or service) code is kept from the customer until after the purchase has been made. Further, the entire transaction, from the initiation of the data transfer to the redemption of values from the account, is effected digitally via the Internet and requires no human intervention, other than the customer's input of the needed data. As a result, the system is cost-efficient, fast and virtually failproof, and places no burden whatsoever on the retailer who sold the product to the purchaser.

Deaton has nothing to do with motivating a customer to purchase a specific product and/or rewarding the customer for repeat purchases thereof, the subject matter of the only remaining independent claim 39. Deaton discloses a check verification system and, ancillary thereto, states that it seeks to improve a store's marketing program without disclosing how this is or should be done. The Deaton system is utterly incapable of tracking the sale of a given product through multiple stores, a principal feature of the present invention.

Deaton summarized his invention as follows (column 3, line 64 to column 4, line 17):

> Important aspects of the present invention are to facilitate check transactions by reducing the requirements for customer identification, to enable a store to adopt a risk management approach to check verification based on a customer's transactional history (frequency and dollar

> volume over specified intervals), and to improve a store's marketing and other customer relations programs by collecting transactional data for that store, both current and historical, that can be used to identify new or infrequent customers, develop customer profiles and to perform targeted marketing.
>
> More specifically, this invention is a check transaction processing system that uses a customer's checking account number as a unique customer identification number. Thus, the system does not require time-consuming checking of additional customer identification, but only requires the speedy entry of the customer's checking account number by use of an improved automatic check reader in accordance with the present invention. The system operates at an individual store, and maintains at that store a local customer database of customer records, each identified by the corresponding customer check identification number.

Contrary to Deaton, claim 39 requires that a unique code be applied to the product (or service, e.g. in the form of a receipt) which is not accessible (for example, by covering it with an opaque material[1]) until after the purchase has been consummated. The customer is instructed to transmit the code, as well as other data (such as data characteristic of the customer, including his or her address, telephone number, age, etc.), digitally via the Internet to a digitally addressable account maintained at the central processing station. The transmitted data is automatically directed to the customer's account and recorded. Each purchase is assigned a value (which may be a monetary value, for example the purchase price), and the assigned

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[1]Applicant notes the observation in the above-referenced Office Action (page 8, lines 1 and 2) that Bezos discloses that the code may be concealed with latex covering. Applicant could not find such a disclosure in Bezos at the referenced page (column 13, lines 58-65) or elsewhere in the patent.

values for repeat purchases are automatically incremented in the customer's account. When the customer chooses to redeem the accrued values in his account, he or she again digitally addresses the account via the Internet and communicates to the account how he or she wishes to redeem the values which accumulated in the account, or a portion thereof.

Independent claim 39 has the following limitations which have no counterpart in Deaton:

(a) applying a unique code to evidence purchase of the product or service

(b) giving a customer access to the evidence, including the code thereon, after the customer has completed the purchase

(c) causing the customer to contact the central processing station (e.g. the manufacturer) via the Internet and transmitting the code and data identifying a characteristic of the customer to the processing station

(d) digitally receiving the code and the data transmitted by the customer and without human intervention directing at least the data transmitted by the customer via the Internet to the account

(e) permitting the customer via the Internet and without further human intervention to redeem accumulated values in the account and apply the redeemed accumulated values to at least one of a plurality of uses selected by the customer.

As to (a), Deaton does not apply a unique code to the product to identify it. Deaton discloses a check verification system which might extract some information from the customer that might be of interest to an individual store. The product (or service) being sold plays no role in Deaton's system. In this regard, Deaton discloses (column 11, lines 8-14):

> The present automatic check reader is thus provided with circuitry which enables the customer's checking account number and the

> bank transit number to be parsed or detected and the remainder of the data extracted or omitted, such that the customer's checking account number and the bank transit number may be used as the unique customer identification code for the present invention.

As the quotation from Deaton demonstrates, no code is applied to any product. The code used by Deaton identifies the customer, and not a product. For this reason alone, Deaton would be useless for a system to identify purchasers of a given product irrespective of where the product was acquired. Deaton is not intended for such a system and, if it were used, would render it inoperative.

As to (b), Deaton is devoid of any disclosure that the customer is given access to the product code only after he has completed the purchase, for the simple reason that there is no product code to which access could be given. Deaton is therefore also devoid of any suggestion to hide the product code until the purchase is complete.

As to (c), no part of Deaton has any concern with causing the customer to communicate with the central data processing station and volunteering desirable information to the manufacturer of a product. Deaton does not attempt to obtain any information from the customer. Thus, Deaton is also devoid of any disclosure to have the customer communicate with the central database via the Internet.

As to (d), Deaton also does not disclose to direct the data transmitted by the customer via the Internet to his account without human intervention. In Deaton the data (e.g. the customer's checking account number) is read by an automatic check reader. The customer is not involved. Hence, Deaton does not

disclose and in Deaton's system there is no possibility for the customer to transmit a code via the Internet directly into his account without human intervention.

As to (e), Deaton does not permit the customer to redeem anything, via the Internet and without human intervention or otherwise. There is nothing in Deaton to redeem and, therefore, Deaton contains no disclosure relevant thereto.

The secondary Bezos patent does not supply what is missing in Deaton. Bezos, like Deaton, has nothing to do with incentive programs of the type to which the present application is directed. Bezos discloses a two-step procedure for securely communicating credit card data when making a purchase over the Internet. When the customer initially places the order, he or she provides only a portion of the credit card number. After the order is placed, he picks up the telephone and provides the whole credit card number. The previously supplied partial number is compared with the whole number and, when there is a match, the purchase is confirmed.

Although Bezos utilizes the Internet for part of the transaction (the initial purchase order and transmittal of the partial credit card number), the remainder of the transaction must be completed via the telephone, or the system becomes useless for securing the credit card number against unauthorized access. Otherwise, Bezos is similar to Deaton in that it contains no disclosure relative to the above-discussed (a)-(e) limitations of claim 39 that differentiate it from Deaton.

It also must be noted that, like Deaton, Bezos is not for motivating purchasers of a particular product to contact the manufacturer via the Internet, irrespective of where the product is purchased, and providing certain, desirable information by

offering incentives (the redeemable value, in the terminology of the claims) and facilitating this step for the customer by making it simple and cost-free.

Thus, the combination of Deaton and Bezos does not render claim 39, or claims 40-42 depending from it, obvious. Neither of the patents has any disclosure concerning incentive programs which, after all, is at the core of the present invention. Even for the entirely different environment of the references (enhancing the security of financial transactions), the two references do not disclose the subject matter of claim 39 for the reasons discussed in the preceding paragraphs.

In fact, applicant cannot see how the combination of Deaton and Bezos provides anything of use for purposes of this invention. Deaton is concerned with verifying checks and establishing a database account for a customer at a given store. All relevant transactions occur within that store. Bezos discloses to secure an Internet transaction with a credit card by using the non-secure Internet for the transmission of only a portion of the card number and thereafter providing the merchant with the complete credit card number in a separate telephone call.

Bezos' disclosure seems to be unusable in the Deaton system. Deaton has no use for the Internet since it involves an in-store transaction. Thus, Deaton has no need to protect a check number or, for that matter, a credit card number against unauthorized access thereto.

Accordingly, Deaton and Bezos, taken alone or in combination, do not in any way suggest the present invention as defined by independent claim 39. Claims 39-42 are therefore not obvious.

Accordingly, this application is now in condition for allowance, and a formal notification to that effect at an early date is requested.

If the Examiner feels for any reason that a personal communication would expedite the prosecution of this application, the Examiner is invited to contact the undersigned at the telephone number below.

Respectfully submitted,

By _____
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